BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of SOUTHERN CALIFORNIA EDISON COMPANY (U338E) for a Certificate of Public Convenience and Necessity Concerning the Tehachapi Renewable Transmission Project (Segments 4 through 11).

A.07-06-031 (Filed June 29, 2007)

MOTION OF THE DIVISION OF RATEPAYER ADVOCATES TO AMEND THE SCOPE OF THE REOPENED PROCEEDING

I. INTRODUCTION

Pursuant to Rule 11.1 of the Commission's Rules of Practice and Procedure, the Division of Ratepayer Advocates (DRA) submits this motion for an order amending the scope of this proceeding as set forth in the Amended Scoping Memo and Ruling of Assigned Commissioner issued on November 15, 2012. DRA requests that the Commission expand the scope of this proceeding to consider if the chosen alternative to route a 500 kV line through the City of Chino Hills (Chino Hills) is still in the public interest.

We ask this for two reasons. First, engineering and safety hazards associated with undergrounding a 500 kV power line were not fully considered in the original proceeding, because no party advocated undergrounding and thus there was no need to litigate those issues. And there was no reliability history available to consider because 500kV lines have not been undergrounded. Secondly, as stated in DRA's testimony, new transmission projects have created network improvements that may negate the need for the Chino Hills portion of the Tehachapi Renewable Transmission Project (Tehachapi line or TRTP), or in the alternative, a smaller transmission line (110 kV or 220 kV) may

now be all that is needed to achieve the same project planning goals as were originally envisioned by Southern California Edison Company (SCE) when the Tehachapi line was submitted for approval to the Commission in 2007.

Given that the Commission has decided to reconsider options for the portion of the Tehachapi line running through Chino Hills – specifically, undergrounding the portion of the 500kV transmission line running through Chino Hills, -- we believe these changed circumstances create an additional obligation on the Commission to examine the alternatives in light of new information on safety, reliability, and need.

Some new information relevant to need and possible alternatives has already been noted in the testimony submitted by City of Chino Hills (Chino Hills) witnesses Nexant Consultants Ajit Kulkarni and Darius. SCE's testimony also includes references to need projections for the Los Angeles basin, particularly the inland empire. Thus, factual issues relevant to whether Segment 8A is needed have already crept into the testimony to which DRA is to respond. DRA does not fault these parties for having referenced such information, but fairness requires that DRA be allowed to discuss this information as well in its responsive testimony.

For these reasons, the scope of this proceeding should be amended to consider whether a 500 kV power line running through Chino Hills is needed at all, or whether there are better alternatives. In its testimony, DRA will recommend that the Commission reconsider the need for power from renewable sources that Segment 8A was initially intended to deliver, in light of the escalating cost of Segment 8A under either of the two underground options recommended by SCE and Chino Hills. Therefore, DRA is filing this motion concurrently with its testimony and requests that any ruling amending the scope of the proceeding as requested in this motion expressly find that DRA's testimony is within the amended scope of the proceeding.

II. THE TESTIMONY ON NEED FOR SEGMENT 8A

Several witnesses in this proceeding presented testimony on need for various reasons.

Nexant Consultant Ajik Kulkarni presented a report of an independent analysis of the Tehachapi line using models similar to those used by the California Independent System Operator (CAISO) to determine the impact of delay, and of complete or partial outages of the part of Segment 8A

that passes through Chino Hills¹. Witness Darius Shirmohammadi testified that SCE used unvetted and unsupported assertions of need to justify the construction of a double circuit underground line for Segment 8A. However, witness Shirmohammadi states that "even if you take into account their [SCE's] unsubstantiated predictions of need and underlying study assumptions"², the capability SCE seeks for Segment 8A "is far beyond what is needed" for the region that Segment 8A was intended to serve³.

Regardless of the witnesses' reasons for including discussions of need in their testimony, the record now includes evidence to support the argument that Segment 8A may not be needed as was intended in the initial Certificate of Public Convenience and Necessity (CPCN). Nexant, for example, conducted simulations of the CAISO grid using "a methodology similar to one that the CAISO uses in actual operation to simulate commitment and dispatch of generation to meet load, subject to generation, system and transmission constraints" for the year 2016, the critical date for bringing TRTP on line, and for 2022, the year SCE projected it would need to energize a second circuit due to load growth and demand conditions.

Nexant's year 2022 conclusions shows that for nine months of the year, without Segment 8A, there would be no curtailment of SCE's Northern Area resources on TRTP under most scenarios $\frac{4}{3}$:

As can be seen in the above table, there is no curtailment of SCE's Northern Area (Tehachapi) generation in 2022 under most of the scenarios studied. Under the aggressive renewable cases [scenarios] ... the level of curtailment is relatively small. Further, by comparing the AR Base to the AR 8A Out columns [assuming no Segment 8A] columns ... it is apparent that the curtailment is not significantly impacted by the configuration or status of Segment 8A.

(Nexant Report, p.19.)

¹ Nexant Report, Attachment to testimony of Ajit Kulkarni on behalf of the City of Chino Hills, p.1., hereinafter "Nexant Report"

² Id.

³ Testimony of Dariush Shirmohammadi on behalf of the City of Chino Hills, p. 24.

⁴ Nexant Report, p.18 (See Table 13: 2022 SCE's Northern Area Renewable Curtailment.) One of the nine months had a 0.02% curtailment which is

Nexant's report also shows that under a System Wide Renewable Curtailment study, there is curtailment whether or not Segment 8A is constructed and the level of curtailment appears to be similar with and without Segment $8A^{5}$. "Hence, this curtailment is not significantly impacted by the availability or configuration of Segment 8A."

There is no reason why the evidence in the record should be used to support only the position of the witness presenting it. The analysis presented by Nexant could support other positions not considered by Nexant (although that might require filling some gaps). Nexant is a consultant working under specific instructions that may not include the option DRA wishes to analyze. For instance, it was unclear from Nexant's Report whether Nexant considered that the Imperial Valley is now a California Renewable Area Zone (CREZ) when in the 2006 Transmission Planning Report on which TRTP was based, the Imperial Valley may not have been viewed in that light. What is the potential impact of the development of renewable resources in the Imperial Valley CREZ on the need for Segment 8A? The Commission should have an updated record on this question.

As the November 15, 2013 Amended Scoping Memo and Ruling of Assigned Commissioner stated, the purpose of reopening this CPCN proceeding is to develop a record needed to support a final decision on whether to modify Decision 09-12-044.

[The November 15, 2013 Amended Scoping Memo] Modifies the prior schedule for record development needed to support a final decision as early as July 11, 2013, on whether to modify Decision 09-12-044 to require undergrounding of Segment 8A of the Tehachapi Renewable Transmission Project.

(Amended Scoping Memo and Ruling of Assigned Commissioner, p.1.)

Accordingly, the Commission should allow evidence that could inform its decision on whether to modify D.09-12-044 when it does not prejudice any party.

III. COSTS MUST BE BALANCED AGAINST BENEFITS

In its analysis of the cost of undergrounding TRTP Segment 8A, the Commission will have to evaluate whether the current benefits of the project justify the additional cost. And evaluating the benefits of a transmission project requires an analysis of need.

⁵ Nexant Report p.20, Table 14: Non Northern Area 2022 CAISO System Wide Renewable Curtailment.

<u>6</u> Id.

The cost of undergrounding Segment 8A through Chino Hills is huge under either of the options proposed by SCE (UG2) and Chino Hills (UG5). The Commission rejected undergrounding alternatives in the original CPCN proceeding; now it must determine whether changed circumstances justify a reversal of that decision. Changed circumstances may support undergrounding; changed circumstances may also support a determination that there is a better alternative than building a 500kV line through the City of Chino Hills. Considering both possibilities will enable the Commission to make a balanced assessment and to consider the interests not only of Chino Hills, but of others impacted by the decision, including the ratepayers who will bear most of the cost of the project.

DRA's witness in this proceeding would like the Commission to consider the additional cost of undergrounding Segment 8A of Tehachapi in the context of the diminishing need for wind resources from Tehachapi to flow through the area where Segment 8A is planned. In other words, the additional costs should be weighed against an updated assessment of the benefits.

IV. NO PARTY IS PREJUDICED BY DRA'S PROPOSED AMENDMENT TO THE NOVEMBER 15, 2013 SCOPING RULING

Although DRA is submitting this motion concurrently with its responsive testimony, as the Administrative Law Judge recently clarified, all parties will get the opportunity to rebut the testimonies filed on April 5, 2013 at a later date. Further, much of the evidence that supports DRA's motion to amend the scope of this proceeding was presented by both SCE and Chino Hills, the parties that have already submitted their testimony. Therefore, it would not prejudice any party to amend the scope of this proceeding in order to allow DRA the opportunity to develop a full record.

V. CONCLUSION

For all the foregoing reasons, DRA requests that the Commission amend the scope of this proceeding to consider the continuing need for Segment 8A through Chino Hills.

Respectfully submitted,

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